

Message Text

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67

ACTION NEA-09

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 L-02 SEC-01 PA-01 PRS-01

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R 101353Z APR 75

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 1017

INFO AMEMBASSY BONN

AMEMBASSY LONDON

USMISSION EC BRUSSELS

OECD PARIS 2816

LIMITED OFFICIAL USE TEHRAN 3301

E.O. 11652: N/A

TAGS: EINV, EFIN, IR, GW, UK

SUBJECT: IRANIAN PURCHASE OF SHARES IN DUETSCHE BABCOCK
AND WILCOX AG

1. MINISTRY OF ECONOMIC AFFAIRS AND FINANCE ON APRIL 9 ANNOUNCED THE SIGNATURE OF A LETTER OF INTENT TO PURCHASE A 25 PERCENT INTEREST IN DEUTSCHE BABCOCK AND WILCOX AG OF OVERHAUSEN AT A COST OF APPROXIMATELY \$75 MILLION, MOST OF WHICH WOULD BE PAID IN GERMAN MARKS. THE GOI IS PURCHASING THE SHARES IN THE COMPANY HELD BY BABCOCK AND WILCOX, LTD., OF BRITAIN. ASSISTANT DIRECTOR KHALEGHIRAD. MOEAF DIVISION OF FOREIGN LOANS, TOLD EMBOFF THAT, WHILE THE TRANSACTION OFFICIALLY IS ONLY AT THE LETTER OF INTENT STAGE, THE GOI EXPECTS THE DEAL TO BE CONSUMATED.

2. AS WITH PURCHASE OF ONE QUARTER INTEREST IN FRIED KRUPP HUTTENWERKE AG LAST SEPTEMBER (TEHRNA 7882), PART OWNERSHIP OF BABCOCK AND WILCOX UNDOUBTEDLY APPEALED TO IRANIANS BOTH AS A SOUND INVESTMENT FOR SURPLUS PETRO-DOLLARS AND FOR PRESTIGE REASONS. THE DEAL ALSO GIVES IRAN EASY ACCESS TO NEEDED TECHNICAL KNOWHOW

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FROM A WELL KNOWN LARGE MULTI-NATIONAL CORPORATION.
HELMS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
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Concepts: PROCUREMENT, STOCKS (SECURITIES)
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Draft Date: 10 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Review Exemptions: n/a
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Margaret P. Grafeld
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